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**State Environment Department Issues Emergency Modification of Air Quality Permit
for Phelps Dodge's Chino Mine outside of Silver City**

(Santa Fe, NM) – The New Mexico Environment Department issued an emergency modification to a Chino Mines Company air quality permit today. The permit modification for the Hurley, New Mexico operation authorizes the installation of a 37-megawatt, natural-gas-fired turbine for increased electric power production at the mining operation.

Phelps Dodge's Chino Mines Company has stated that having additional power generation capability will ensure a stable supply of power for its mining operations and will reduce relatively high costs currently paid for purchased power. According to the company, average electricity costs have increased substantially over the past year, requiring the Chino mine to curtail production on several occasions. With market prices for electricity expected to continue to rise, having additional power generation capability will help the mine remain cost competitive.

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A cutback in other sources of air pollutants was required in order to approve the modification. The NMED also established a time limit for the emergency permit modification and required Chino Mines to submit a non-emergency permit application for standard processing. That application is being prepared for submittal to the NMED.

For more information, contact [Sandra Ely](#), NMED Air Quality Bureau Chief, at (505) 827-1494, or [Karen Fisher](#), NMED Asst. General Counsel, at (505) 827-1047.

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